

THE WHITE HOUSE
WASHINGTON

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~~SECRET ATTACHMENT~~

ACTION

January 5, 1970

MEMORANDUM FOR DR. KISSINGER

FROM: John Holdridge *for*
SUBJECT: Conditions in North Vietnam

The President asked for your comments on the rather favorable report which Fox Butterfield brought back from his visit with Cyrus Eaton last month (Tab B).

RECOMMENDATION:

That you sign the memorandum to the President at Tab A.

Attachments

THE WHITE HOUSE

WASHINGTON

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INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: Henry A. Kissinger
SUBJECT: Conditions in North Vietnam

You asked for my comments as to the rather favorable report on conditions in North Vietnam which Fox Butterfield brought back from his recent trip to Hanoi with Cyrus Eaton.

Butterfield's impressions are not unusual for sympathetically-disposed observers paying their first visit to Hanoi. Harrison Salisbury brought back much the same impressions from his visit three years ago.

Hanoi undoubtedly gives an impression of order and purpose and discipline to those visiting it. The Vietnamese are, in fact, an orderly, disciplined, and energetic people and would be likely to display these qualities even when personally discontented. There are, however, trends and evidence of various economic and political strains visible to regular observers. These by no means suggest an imminent breakdown in the system in North Vietnam, but they are important as indicators of the types of problem with which Hanoi leadership must deal.

In October, CIA prepared for me the memorandum at Tab A, describing the situation. The situation has not changed appreciably since that time. The CIA analysis concluded that the principal problems are war-weariness, economic dislocations (including declining exports and a food shortage), and evidences of disagreement within the leadership as to the proper political/military mix for prosecuting the war.

I believe that the memorandum represents a legitimate picture of conditions, even though the impressions of people like Fox Butterfield provide a useful reminder that civil administration in the North continues to function effectively despite the years of war.

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INFORMATION/ACTION

October 20, 1969

MEMORANDUM FOR DR. KISSINGER

FROM: John H. Holdridge

SUBJECT: North Vietnamese War Problems

I recently asked CIA to give us a review of the difficulties the North Vietnamese are facing in continuing to pursue the war in South Vietnam. The result, as CIA notes, makes no effort to present a balanced assessment of Hanoi's present situation, but does yield a useful catalog of the extent and depth of the significant problems which Hanoi faces. Although classified at present, there is nothing in the review of a really sensitive nature.

Following are some of the major highlights:

Problems in North Vietnam

- War-weariness has increased, causing diminution of active support for Hanoi war policy among army and party ranks.
- Leadership differences persist over proper tactical mix of military and diplomatic tactics to win the war.
- Economic problems have deepened despite the bombing halt. Food is still in short supply, exports are far down, and industry has not recovered.

Problems in South Vietnam

- Population control by the Communists has declined from a statistical 22 percent in January 1968 to about 7 percent at present.

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-- Infrastructure continues to weaken due both to losses from allied operations and growing defections from Communist ranks.

-- Combat strength is going down. Regulars, as a result of losses and lack of replacement, may have dropped by over 40,000 men this year to a total of around 130,000 or less. The number of irregulars has suffered a steady decline from over 100,000 after Tet 1968 to around 60-80,000 at present, with a commensurate decrease in effectiveness.

-- Other problems include the drying up of the local Communist economic base, friction between North Vietnamese and Viet Cong soldiers, and the persisting decline in general morale which has definitely reached the lowest level of the war at present.

RECOMMENDATION:

Given the fact that the review does not contain sensitive information, you may wish to consider passing copies to Congressmen and other influential people as a means of helping to promote support for the Administration's Vietnam policy.

Attachment

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17 OCT 1963

MEMORANDUM

SUBJECT: Hanoi's Difficulties in North and South Vietnam

Introduction

1. This memorandum presents some of the difficulties facing the Hanoi regime during the eleventh year of its attempt to seize control of South Vietnam through a combination of political subversion and military force. It is not offered and should not be read as a balanced assessment of Hanoi's present situation or of its will to persist in the war. Obviously, many of the problems noted herein are being countered by the regime with varying degrees of success, or are being endured in the expectation that continued resistance will bring a political settlement favorable to the Communists. Factors which are favorable to Hanoi, such as the state of U.S. domestic and international opposition to the U.S. role in Vietnam, Hanoi's ability to control dissidence within its own population, the high degree of discipline among its top level cadres in the South, and its ability, with the help of the sanctuaries, to control the level of the fighting in the South, are not considered herein. Conflicting demands for North Vietnam's resources, a growing war weariness among the population in the North, manpower, and economic problems, the heavy casualties, high defection rate and loss of population in the South, and the growing capabilities of the GVN forces are elements of the situation collectively causing serious concern among the Hanoi leadership and have probably compelled the regime to scale down its military effort. As trying as these difficulties must be for Hanoi, however, there is no evidence yet available to suggest that these problems have reached the point where the regime's will and ability to continue the war in the South have been seriously impaired.

Problems of Morale and Discipline in the North

2. The war remains the central problem Hanoi faces. Weariness with the long struggle and its deprivations is present in varying degrees in all significant sectors of North Vietnamese society. During the past year, the regime in Hanoi has mounted an across-the-board indoctrination

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campaign against a diminution of support for its policies among the populace, the army, and the party rank and file. Virtually every element of society in North Vietnam has received a special bracing from the leadership aimed at countering the emotional letdown which set in following the cessation of bombing, and eliciting a more enthusiastic response to official directives. This effort has brought Hanoi's problems into sharper focus and has served to identify those segments of North Vietnamese society with which the regime is dissatisfied.

3. The army seems to have come in for special attention because of its role in the war. In May, Ho Chi Minh and three top-level politburo members lectured a group of cadre representing "the entire army" that their "primordial" duty is to support the war. Ho's address and subsequent exhortative broadcasts leave the strong impression that the regime is determined to improve the effectiveness of the army's support for the war and performance in combat and that problems in this sphere were of sufficient potential seriousness to warrant involving Ho's name and prestige in addressing them. Ho's admonition to economize with regard to the expenditure of both material and men, suggests that Hanoi has become concerned about the drain that high casualties in the South are making on its manpower resources.

4. The leadership is not satisfied with the current state of popular response to official direction in the civilian sector as well. To a large degree, this seems to be a direct result of the party's desire to reimpose doctrinaire party programs on every facet of life in the North after several years during which rigidity and discipline were permitted to slip in the interest of focusing all efforts on countering the bombing and carrying on a high level of warfare in the South.

5. Young people, in particular, appear to be causing problems. The party issued a new set of instructions in March to tighten responsiveness and discipline among the young. In May, the chairman of the party's youth group confessed publicly that it had not adequately responded to higher authority's directives. The precise nature of the difficulty is not clear, but it seems more prevalent among urban young people than among rural youth and there are some signs that even austere Hanoi is facing a long hair, tight jeans youthful restlessness problem.

6. A decline in the general state of morale in the North has been clearly discernable since at least mid-1968. It has not generated outright criticism or resistance to Hanoi's policies, but in areas of economic and social policy, where the regime prefers to rely primarily on persuasion

and individual motivation, the leadership has had difficulty in bringing the populace in line. The press makes it clear that the populace is not responding to exhortations to work harder and that petty crimes such as thievery and blackmarketeering are still prevalent.

7. Of all the real or imagined crimes facing North Vietnamese leaders, "individualism" appears to be the most dangerous, judging from the party line. In essence, individualism seems to mean placing personal profit and comfort ahead of compliance with party and government directives. The North Vietnamese press suggests that it has been spotted by party agents in the armed forces, among youth, in cities and in rural areas and even in cadre ranks of the government and party itself. Ho's death has brought even more vigorous morale-building and mobilization efforts from the leadership.

Divisions Within the Leadership

8. The party leadership has been divided in recent years over various aspects of the war. Evidence on differences in the politburo is extremely difficult to come by, but some inkling of disagreements at the top over policy can be discerned from analysis of public statements. It has been evident for some time, for example, that some in the politburo would emphasize steady military pressure to achieve objectives in the South, while others prefer a mix of diplomatic, political and military efforts. The merits of expending substantial North Vietnamese manpower and material resources to take control of South Vietnam is another basic policy question which has divided the leadership. Some have preferred to devote more of the party's energies to developing a stable and prosperous society in the North. Others have insisted that the war in the South should have a priority claim or virtually all the North's resources and energies.

9. Ho's death almost certainly impacts heavily on intra-leadership relationships and the questions of how power is distributed and decisions made. What this impact may be and how it is translated in practical terms is not clear. Whatever fissures might be present within the politburo are obscured by the regime's persistence in deliberately presenting a business-as-usual facade to its people and the world at large.

Economic Problems in the North

10. Although the bombing of North Vietnam was halted about a year ago, the cumulative effects of almost four years of bombing continue to present North Vietnam with serious economic problems. In addition, much of North Vietnam's attention has been directed at the war effort in the South which has been a drain on the country's limited resources.

11. Traditional problems of low labor-productivity were aggravated by the war-time manpower demands. Managerial expertise particularly has always been in short supply and the number of managerial cadres available for the economy has undoubtedly been substantially reduced by war-time casualties and military requirements.

12. Food continues to be in tight supply even though rice output in 1969 stopped the downward trend of the 1966-1968 period. Output of rice this year will still be about 500,000 tons below the 1965 level and this shortfall, coupled with population growth, will force North Vietnam to continue sizeable imports of food throughout 1970.

13. Many industrial facilities which were damaged or rendered inoperative by the bombing have been left in an unrepaired state, including the Bac Giang fertilizer plant, the Nam Dinh textile complex and several thermal powerplants. Some limited repair work has been accomplished recently on other large industrial facilities such as the Haiphong cement plant, and the Thai Nguyen iron and steel complex. The productive capacity of these partially restored plants, however, is still considerably below pre-bombing levels. The slow pace of industrial reconstruction to date is probably a result of the combined effects of managerial shortcomings, and shortage of labor, and possibly the reluctance of other Communist countries to rebuild these prime targets while the continuing war in the South leaves open the possibility of a resumption of US bombing.

14. As a consequence of reduced industrial output the value of North Vietnam's exports have remained considerably below the pre-bombing level and the country's dependence on aid from other countries was increased accordingly. The reduction in exports to the Free World has substantially reduced North Vietnam's annual hard currency earnings.

Hanoi's Relations with the USSR and China

15. Relations with the Soviet Union and China dominate Hanoi's foreign policy problems. The necessity for Hanoi to maintain cordial and workable relations with both to insure a continued influx of material assistance is compelling, and their mutual animosity significantly complicates Hanoi's approach. The best of all worlds for North Vietnam would be a Moscow-Peking reconciliation, but the North Vietnamese clearly realize that this is not in the cards for the foreseeable future. Therefore, they have been forced to devise a middle-road policy which almost guarantees a constant state of tension in foreign policy making.

Hanoi's Difficulties in the South

16. The magnitude of the problems the Communists are facing in South Vietnam continues to grow. In some areas, the seriousness of the enemy's plight has forced him to shift to a defensive footing in order to preserve his dwindling military and political assets. Steady Allied military pressures resulting in heavy enemy losses, and a decline in enemy infiltration during 1969 have contributed to attrition among all echelons of his military forces, and a loss of influence over large segments of the populace. This latter, in turn, has reduced the enemy's recruitment potential, his supply of labor for the battlefield and for agriculture production, and his taxation base.

Loss of Population Under Communist Control

17. Communist control of the total population has declined from about 17 percent in January 1968 to about five percent as of the end of August 1969. An even more significant loss of influence has occurred among the population categorized as "contested," where the Viet Cong and government have been vying for the upper hand. Between January 1968 and August 1969, the percentage of the total population in this category declined from about 22 percent to about seven percent.

Weakening of the Communist Infrastructure

18. The decline in Communist influence over the people in South Vietnam is being achieved in large part by the steady upgrading of government security in the villages and hamlets. Moreover, with Viet Cong local forces and guerrillas being barred from entering the villages, the Communist apparatus (infrastructure) in them has been left unprotected and more exposed to Allied police-type operations. During the month of August, operations against the Communist infrastructure achieved their greatest success this year, accounting for the defection, capture or death of over 1,800 principal Communist agents. Although most of these eliminations were from the lower ranks of the Communist apparatus, the loss of these trained cadres is causing considerable disruption to the enemy's administrative apparatus. VC documents lament the drying up of assets in whole villages. Other documents complain about the increased efficiency of the South Vietnamese police. Several have stated that anti-infrastructure program (PHOENIX) is the most dangerous the Allies have launched so far. Moreover, in uprooting these cells, the government is being increasingly assisted by the voluntary help of the local people. As a

result there are fewer seasoned cadre available to direct Communist political and military affairs.

Defections to the GVN

19. Large numbers of Communist fighters and supporters lacking leadership, fearing for their lives, and doubting Communist propaganda are continuing to defect to the government under the Chieu Hoi program. These defections, although mostly southerners from the lower ranks, are running at the highest level in the history of the war, and averaged over 4,000 per month in the last quarter. As of 4 October over 35,100 had rallied to the government this year, exceeding the total of any previous year. The high rate of defection reflects in large part the expansion of territorial security by the government. Moreover, Vietnamization of the war seems to have had little adverse effect on these trends thus far. In the delta provinces, for example, the rate of defection among the Communists continues to remain high despite the redeployment of the US 9th Division, and the delta, in fact, accounts for a major portion of the national Chieu Hoi total.

Declining Morale

20. As a result of the shortage of seasoned leaders and their growing isolation from the people, there has been a widespread decline in the morale of North Vietnamese and Viet Cong soldiers. Continuously heavy combat losses, the rumors of peace, loss of faith in a Communist victory, and the shortages of food, reported almost everywhere in the South, have been important factors contributing to lower morale and the high rate of defections.

21. Recently captured documents from throughout South Vietnam reflect yet another major Communist problem -- the lack of positive direction. Communist indoctrination programs for their supporters reflect some degree of indecision on the part of the Communist leadership as the future conduct of the war and reflect the inability of the enemy's propagandists to present, in a palatable form, an acceptable rationale for their failures this year.

22. Since early 1968, when the Communists were able to deliver severe blows against the GVN, the Communists have not demonstrated their usual resiliency by replacing personnel losses and rationalizing for their errors. In part, this has resulted from the failure of their political line to reflect the realities of the political scene and the military battlefield.

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Declining Enemy Capabilities in the South

23. Over the last year Viet Cong and North Vietnamese combat forces in South Vietnam suffered a net decline in strength for the first time since the beginning of the war in South Vietnam. Recent estimates of VC/NVA force levels show a net drop in combat forces of 40,000-50,000 from about 170,000-200,000 during the third quarter of 1968 to a level of about 130,000-150,000 at the end of the third quarter of this year.

24. The principle reasons for the net erosion of enemy forces over the last year are a decline in the capability of the VC to recruit personnel in South Vietnam at the same high rate as in past years, and the lower level of infiltration during the first nine months of this year. During the recent three-month period of reduced combat, enemy battlefield deaths have averaged almost 2,500 per week and may have reached 3,000 per week when deaths from wounds, sickness and other causes are included. The continuation of even the recent casualty rate and a low level of infiltration for the rest of this year would cause a further erosion of enemy combat strength by the end of the year.

25. In addition to the erosion of VC/NVA combat forces, available evidence indicates an overall decline in the strength of VC irregular forces. A recent study shows that the guerrilla forces declined from 110,000-135,000 in mid-1967 to 80,000-125,000 at the end of the first quarter in 1968. Since then, the guerrilla strength has probably declined to a current level of about 60,000-80,000. The decline is mostly attributable to loss of manpower upgraded to higher echelon units, high casualties sustained by fighting elements of the guerrilla forces, and an inability to recruit sufficient able-bodied personnel to bring village and hamlet unit strengths up. Of the guerrilla forces remaining, furthermore, only about a third are well trained, highly motivated, and in the prime age group.

Other Enemy Problems in the South

26. Captured documents, prisoners and ralliers continue to mention the existence of friction between Viet Cong (VC) and North Vietnam Army (NVA) personnel. The increasing use of NVA personnel as fillers in VC units suggests that this problem will grow. The extent to which this is affecting Communist military capabilities may be minimal at this stage, however.

27. There are indications of increasing alienation of the population under Communist control. Increased demands by the Communists upon

the shrinking population base, particularly taxation and labor impressment, is causing heavy migration to the GVN-controlled areas. Captured documents also reflect a greater popular reluctance to cooperate with the Communists. The resort to terrorist tactics and random shellings, which inflict heavy casualties on the civilian population, is also alienating the population. The most extreme example is the VC massacre of civilians at Hue during Tet 1968, which has had a strong impact on the population in northern I Corps -- an area in which pro-GVN sentiment previously was weak.

Deteriorating Viet Cong Economic Position

28. In contrast to a peak year as 1965, when the Viet Cong (VC) control over various sectors of the South Vietnamese economy was at its peak, autumn 1969 finds the VC with far less area and population control and a deteriorated economic position. The prime source of domestic revenues, the taxation of the agricultural output -- mainly rice -- has been losing its importance because of reduced area control and the flight of a considerable number of those who formerly tilled the soil in VC-held areas. Another important source of VC revenues, the plantations of South Vietnam, can no longer provide large amounts of funds because of a sharp decline in the output and profits of the rubber industry. In order to compensate for declining revenue sources, the VC have attempted to extract larger amounts from those farmers remaining under their control and to shift toward obtaining greater revenues from businesses and individuals in areas held by the Government of Vietnam. Up to now the VC have been unable to obtain the considerably larger revenues needed from the latter source, possibly because of an inability to develop the expanded tax network necessary to exploit the resources of the GVN-held areas.

29. Although the VC have been able to depend on external financial aid from North Vietnam and other Communist countries to supplement deficient domestic revenues, information in captured documents suggest that there are definite limitations on the amount of external aid. Despite a temporary reversal of their military fortunes as a result of the offensives in 1968, tax revenues appeared to have declined in that year. Although the VC still are able to collect considerable sums in certain areas of the delta, their overall economic position in autumn 1969 has continued to decline. Hence, the VC now confront the dilemma of being far less able of meeting greatly increased costs from an eroded tax base.

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The Improving GVN Position

30. On the other side of the coin, Hanoi's problems are further compounded by the steady, if not spectacular, across-the-board progress being made by the Government of South Vietnam. The political situation remains generally stable, with the Thieu government secure and facing no significant internal threats. The National Assembly is demonstrating a reasonable sense of responsibility, while retaining its independence vis-a-vis the executive. Representative government has been firmly established at the national level, and the government's writ is being extended into the countryside through the rural development program and local hamlet and village elections. Religious dissension has subsided, and some social progress is being made, including a start on such endemic problems as corruption and land reform. The economy, while plagued with budget deficits and inflation, shows many signs of strength. Markets are functioning, industrial output has picked up, transportation routes are reasonably secure, the labor front is quiet, farmer income is rising, and post-war planning is underway.

31. Finally, at a time when Communist military capabilities are declining, the GVN armed forces conversely are growing in strength, in firepower, and in fighting capabilities. The size of the government's forces continues to grow, having successfully passed its July 1969 target level of 875,000. Most notable has been the increase in the strength and firepower of the Regional and Popular Forces, the government's front line of defense against the Communists in the villages and hamlets. The strength of the RF/PF stood at nearly 454,000 at the beginning of September 1969, up more than 50 percent from early 1968. The accelerated issuance of M-16 rifles has boosted firepower to the point where it almost always exceeds that of attacking Communist forces. Although problems of inadequate leadership and poor communications equipment persist, the desertion rate among these soldiers who are based in their home areas is significantly lower than in ARVN regular units.

32. The size of the People's Self Defense Forces (PSDF) reached nearly 2.1 million by mid-September, surpassing its target level of 1.8 million by a wide margin. The 350,000 weapons issued to the PSDF is somewhat below the September target. Weapons are issued to armed PSDF units on the basis of one weapon to three personnel with the weapon in the hands of the member on duty. Other PSDF support units are unarmed.

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33. Both the RF/PF expansion and the PSDF program serve to mobilize large numbers of rural Vietnamese behind the South Vietnamese government. These forces effectively deny the Communists manpower for their military and political organizations and erode their popular support.

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Date: Monday, December 22, 1969

Time: 6:30 p.m.

FOR ACTION: Dr. Kissinger

cc (for information):

SECRETARIAT - ACTION

FROM THE STAFF SECRETARY

SECRETARIAT - ACTION

DUE: Date: Tuesday, January 6, 1970

Time: 2:00 p.m.

SUBJECT:

President's request for your comments on the Fox Butterfield article regarding the attitude of the people of North Vietnam toward the war.

ACTION REQUESTED:

☒ For Necessary Action

☐ For Your Recommendations

☐ Prepare Agenda and Brief

☐ Draft Reply

☐ For Your Comments

☐ Draft Remarks

REMARKS:

SECRETARIAT - ACTION

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

JLD
K. R. COLE, JR.
For the President

THE WHITE HOUSE

WASHINGTON

December 22, 1969

MEMORANDUM FOR DR. KISSINGER

The December 16 issue of the New York Times contained an article by Fox Butterfield, grandson of Cyrus Eaton, reporting that there seems to be no sense of panic or depression in wartime Hanoi. In fact, the atmosphere is natural and relaxed and the people seem confident that they will eventually win the war. There does not appear to be any substance to the theory that morale in the North has fallen. Le Duetho, political adviser to North Vietnam's Paris delegation said that Hanoi has always wanted to end the war and that they have been conciliatory. He added, "with a wide grin," that Senator Fulbright had accused RN of trying to prolong the war with Vietnamization. An East European Communist said, "The Vietnamese are in the grip of an idea. The people don't care that the war is hurting them. They won't give up this idea of independence and to them that means driving out the Americans."

On reading this the President noted that the author of this is a special pleader but requested a report from you on the facts.

Please submit your report to the Office of the Staff Secretary.

Thank you.

JRB
JOHN R. BROWN III